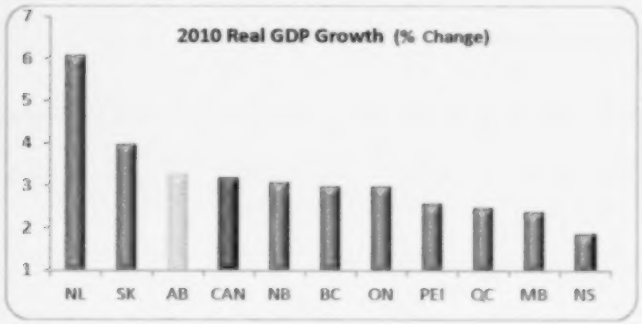
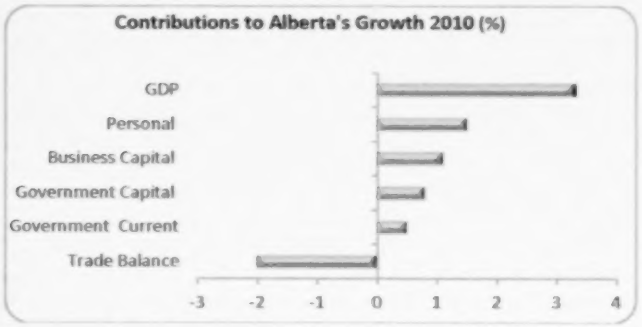
Real GDP, 2010

Resource rich provinces lead in economic growth ...

Following the recession in 2009, the resource abundant provinces of Alberta, Saskatchewan, and Newfoundland and Labrador led all provinces in economic growth in 2010, aided by stronger commodity prices. Alberta experienced one of the strongest rebounds in Canada growing by 3.3% on the heels of a 4.5% decline in 2009.



Looking at the drivers of growth (chart below) reveals that personal spending accounted for nearly half of Alberta's overall gains, while business investment and government also made positive contributions. The trade sector, however, subtracted from growth, as imports grew at a faster rate than exports.



Housing Starts

Alberta housing starts jump...

Alberta housing starts recorded the largest monthly increase of all provinces in October, rising 29% to 31,600 units. Alberta outperfomed the rest of Canada last month, as national housing starts remain relatively flat at just over 200,000 units. On a year-over-year basis, housing starts in Alberta increased 22%, in line with the 21% national increase. Despite recent gains, 2011 starts in Alberta are tracking below last year because of declines recorded in early 2011.

Canadian Dollar (US¢/C$)		
0.1%	November 10, 2011	98.14
	November 4, 2011	98.23
	2011-12 Fiscal YTD Average	101.86
WTI Oil US$/bbl*		
3.7%	November 10, 2011	$97.78
	November 4, 2011	$94.26
	2011-12 Fiscal YTD Average	$94.56
Nymex Natural Gas US$/MMBtu*		
3.4%	November 10, 2011	$3.65
	November 4, 2011	$3.78
	2011-12 Fiscal YTD Average	*$4.11*

** Based on the closing price of the near month contract*

New House Price Index

Alberta house prices remain stable...

While housing starts have trended higher in recent months, new home prices in Alberta have remained flat over the last year, helping to support housing affordability as incomes continue to rise. Looking at the major cities, new house prices in Calgary inched down 0.5% year-over-year, compared to a small 0.6% increase in Edmonton.

Insolvency Statistics

Bankruptcies drop over the last year ...

Alberta bankruptcies declined 3.7% to 621 in August from the same month last year, in part reflecting improvements to income and employment levels in the province this year. Nationally, bankruptcies declined by a an even greater rate of 8.6% over the same period.

International Merchandise Trade

Alberta exports experience monthly drop...

For the first time in six months, the value of Alberta's exports decreased. Alberta's international merchandise exports were down 4.0% to $7.9 billion in September. This was largely due to decreases in energy, forestry and automotive products. Increases were mainly recorded in agricultural and fishing products and industrial goods and materials. On a year-over-year basis, exports advanced 27.4%

Canada's trade balance surprises to the upside ...

Canada's trade balance rose to a surplus in September for the first time since January 2011. The trade balance increased from a deficit of $487 million in August to a surplus of $1.2 billion defying global malaise. Increases in energy and automotive exports, combined with decreased imports, contributed to the swing to surplus. September's exports came in at the highest level since October 2008.

Current Economic Indicators

Population	2009	2010	2011YTD*	May	June	July	Aug	Sep	Oct
Population [1] (000's) (level)	3,672	3,721	3,779	--	--	3,779	--	--	--
% change	2.2	1.3	1.6	--	--	1.6	--	--	--
Net Interprovincial Migraton [1] (level)	13,184	-2,183	13,660	--	--	4,720	--	--	--
Net International Migration [1] (level)	16,835	21,533	22,081	--	--	7,080	--	--	--
Net Non-permanent Residents [1] (level)	19,162	-77	-7,988	--	--	1,233	--	--	--
Labour Market									
Employment (000's)	2,025	2,017	2,086	2,069	2,091	2,103	2,110	2,118	2,126
% change	-1.3	-0.4	3.5	2.8	3.5	3.8	4.2	4.8	4.3
Unemployment Rate (%)	6.6	6.5	5.6	5.4	5.6	5.5	5.6	5.4	5.1
Participation Rate (%)	74.3	72.9	73.6	72.9	73.7	73.9	74.1	74.2	74.1
Average Weekly Earnings ($)	950.01	993.13	1033.20	1035.77	1038.46	1026.42	1045.24	--	--
% change	2.8	4.5	4.7	4.8	4.7	2.6	4.4	--	--
Price Indices									
Consumer Price Index	-0.1	1.0	2.2	2.8	2.1	1.9	2.9	2.8	--
Excluding food and energy	1.4	0.8	0.7	0.8	0.2	0.4	0.8	1.4	--
Non-Res. Building Cons. Price Index [2]	-9.8	-0.1	3.1	--	--	--	--	--	--
Farm Product Price Index	-10.6	-3.9	16.7	12.8	15.9	14.7	10.7	--	--
Crops	-18.9	-14.5	19.0	23.6	22.4	20.2	9.2	--	--
Livestock	-2.8	5.7	16.6	10.9	13.4	13.2	14.2	--	--
Household Sector									
Housing Starts (SAAR, 000's)	20.0	27.1	24.7	25.2	23.7	25.6	31.2	24.6	31.6
% change NEW!	-31.6	33.5	-11.9	-14.9	-11.6	-12.6	32.8	-10.9	22.0
New Housing Price Index	-9.0	0.5	0.3	0.3	0.3	0.1	0.2	0.0	--
Edmonton NEW!	-11.2	-0.8	0.8	0.7	1.2	1.1	0.9	-0.5	--
Calgary	-6.7	1.7	-0.1	0.0	-0.3	-0.8	-0.5	0.6	--
MLS Average Resale Prices ($ 000's)	340.5	350.9	354.9	351.7	351.7	353.6	356.9	362.8	--
% change	-3.1	3.1	0.5	-2.4	-1.3	0.4	2.4	2.1	--
Edmonton	319.1	326.5	324.6	322.7	322.6	326.1	325.5	333.1	--
% change	-3.5	2.3	-1.6	-3.0	-1.8	0.0	-1.3	1.7	--
Calgary	384.3	397.4	402.4	403.7	399.3	399.2	405.7	409.8	--
% change	-4.2	3.4	0.7	-1.3	-2.3	-0.9	3.6	-0.1	--
Retail Sales	-8.3	6.0	6.1	8.0	7.6	6.4	6.4	--	--
New Motor Vehicle Sales	-21.7	9.3	7.7	6.9	16.9	6.1	4.3	--	--
Consumer Bankruptcies	9,986	8,150	4,929	617	649	534	595	--	--
% change NEW!	64.6	-18.4	-10.9	-8.2	-16.6	-14.7	-3.3	--	--
Business Sector									
Rigs Drilling	128	207	276	84	150	240	323	346	335
% change	-45.6	61.3	42.2	50.4	26.9	20.8	45.4	95.5	28.7
Goods Exports (customs based)	-36.6	12.4	14.4	14.6	12.8	16.4	27.1	27.4	--
Energy NEW!	-40.2	17.2	14.9	17.7	11.9	19.2	28.8	27.6	--
Agriculture	-12.3	-14.4	5.9	3.8	-0.2	8.3	7.2	28.7	--
Total Farm Cash Receipts (quarterly)	-8.0	-3.9	15.9	--	--	--	--	--	--
Manufacturing Shipments	-23.7	11.0	16.2	16.7	16.0	15.1	15.6	--	--
Wholesale Trade	-15.9	10.8	14.4	17.2	18.1	15.4	13.4	--	--
Building Permits	-14.2	2.1	6.8	11.7	-14.9	17.4	39.4	28.2	--
Residential	-11.8	24.7	-2.4	-10.2	-3.6	9.5	29.0	33.4	--
Non-residential	-16.3	-19.0	20.2	51.9	-26.1	30.3	53.0	21.3	--
Business Bankruptcies	405	378	174	22	16	15	26	--	--
% change NEW!	-9.4	-6.7	-32.3	-37.1	-30.4	-44.4	-13.3	--	--

Government of Alberta ■
Finance

Alberta

* YTD – year-to-date represents the change since the beginning of the year compared to the same period in the previous year.

[1] Quarterly; annual numbers are presented on a census year basis (July 1–June 30).

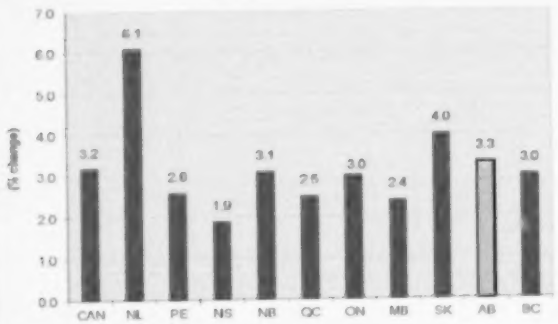
[2] Quarterly, average of Calgary and Edmonton

Sources: All data is from Statistics Canada except Housing Starts (Canada Mortgage and Housing Corporation), MLS Average Resale Prices (Canadian Real Estate Association), Rigs Drilling (Canadian Association of Oilwell Drilling Contractors) and Bankruptcies (Office of the Superintendent of Bankruptcy Canada).

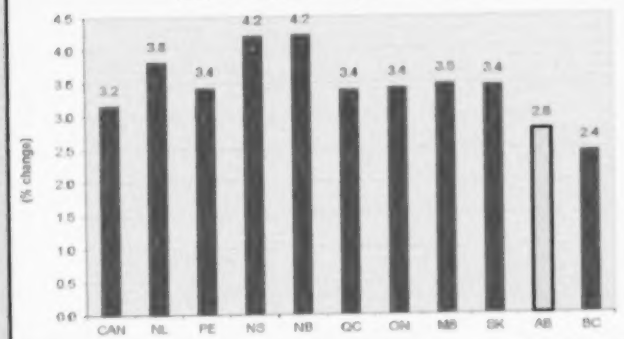
Current Economic Indicators by Province

NEW!

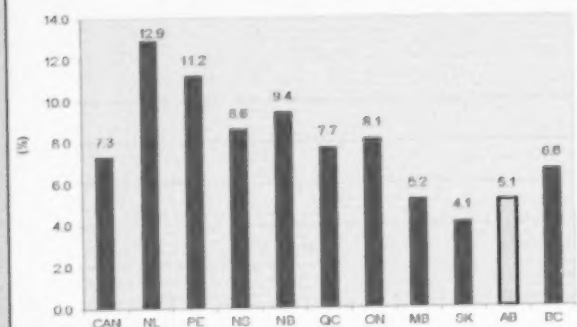
2010 Real GDP Growth by Province
(2010 year-over-year growth)



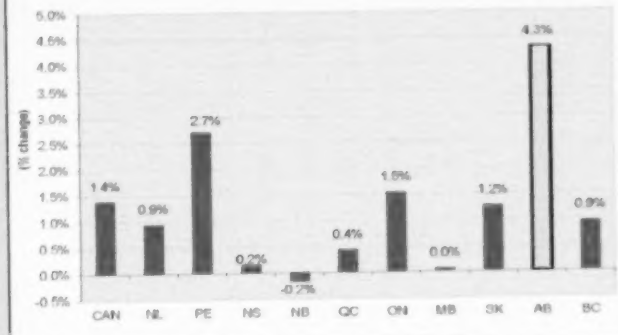
CPI Inflation
(September year-over-year % change)



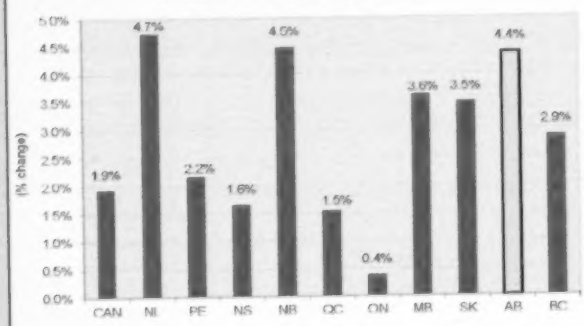
Unemployment Rate
(September 2011, Seasonally Adjusted)



Employment
(September 2011, SA year-over-year growth)

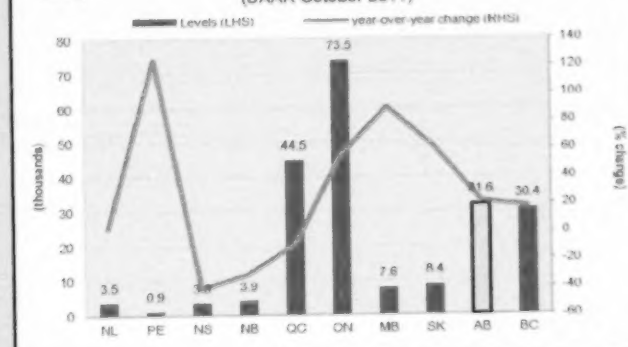


Average Weekly Earnings
(August year-over-year growth)



NEW!

Housing Starts
(SAAR October 2011)



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